

TENNESSEE REGULATORY AUTHORITY

Pat Miller, Chairman
Deborah Taylor Tate, Director
Sara Kyle, Director
Ron Jones, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

March 11, 2005

Mr. Charles B. Welch, Jr.
Farris Mathews Branam Bobango Hellen & Dunlap PLC
618 Church Street, Suite 300
Nashville, Tennessee 37219

RE: IRM Utility, Inc. Petition to Amend Certificate of Convenience and Necessity
(Docket No. 05-00055)

Dear Mr. Welch:

Applicants for Certificates of Public Convenience and Necessity are required to demonstrate their managerial, financial and technical abilities to provide the services for which they seek authority. To assist the Authority in its review of IRM Utility, Inc.'s ("IRM") amendment to its Certificate of Convenience and Necessity to provide wastewater utility services to the portion of Sevier County, Tennessee known as Sterling Springs subdivision, you are requested to provide the following information:

1. A description of the service IRM proposes to render.
2. The engineering and construction plans for the proposed area.
3. An estimate of the number of customers to be served initially and any estimates for growth for the first five years. Please include a breakdown of the class of customers served (residential, commercial, apartments, recreational, institutional, etc.).
4. Financial statements for IRM Utility, Inc. for the most recent twelve (12) months.
5. A detailed estimate of the cost of construction of the system which should include all capitalized costs (construction, engineering, legal, administrative, etc.).
6. A pro forma statement of the cost of operating the system and estimated revenues for the first five years.
7. The proposed depreciation rates including the estimated useful life of all treatment plant and facilities.
8. Who will own the facility upon completion of installation? Provide copies of contracts between IRM and the owner of the facility.
9. Has the permit application for Sterling Springs subdivision been filed with the Tennessee Department of Environment and Conservation. What is the status? If the permit has been received, please provide the permit number.
10. A detailed map of the utility service area.
11. Please provide evidence that the utility owns the land has a long-term lease or a written easement where the wastewater facilities are located.

It is requested that this information be provided no later than 2:00 P.M. on Monday, March 28, 2005 and that you reference Docket No. 05-00055 on the response. In accordance with TRA rules, submit either (1) thirteen (13) written copies of your response or (2) four (4) written copies and an electronic version.

Should you have any questions regarding this request, please contact Patsy Fulton at 615-741-2904 ext. 193.

Sincerely,

Donna Forte For Darlene Standley

Darlene Standley, Chief
Utilities Division

C: Docket File